

Port of Houston Authority
Income Statement
Current Month Actual vs. Prior Year
(\$ in thousands)

	July		Δ	%
	Unaudited 2016	Audited 2015		
Operating Revenues				
Container Terminals	\$ 17,555	\$ 16,479	\$ 1,076	7
Turning Basin Terminals	4,269	4,404	(135)	(3)
Bulk	391	464	(73)	(16)
Leases	573	606	(33)	(5)
Other	966	995	(29)	(3)
Total Operating Revenues	23,754	22,948	806	4
Operating Expenses				
Container Terminals	7,108	7,565	(457)	(6)
Turning Basin Terminals	1,395	1,616	(221)	(14)
Bulk	24	26	(2)	(8)
Leases	(55)	23	(78)	(100)
Other	959	1,318	(359)	(27)
Pension and Other Retirement Benefits	469	442	27	6
Depreciation and Amortization	4,985	4,643	342	7
Total Operating Expenses	14,885	15,633	(748)	(5)
Operating Income	8,869	7,315	1,554	(21)
General & Administrative Expenses				
G&A Expenses	3,441	3,265	176	5
Pension and Other Retirement Benefits	341	347	(6)	(2)
Depreciation	275	243	32	13
Total G&A Expenses	4,057	3,855	202	5
Net Operating Income	4,812	3,460	1,352	39
Nonoperating Revenues (Expenses)	426	291	135	46
Income before Contributions	5,238	3,751	1,487	40
Contributions (to)/from Federal/State Agencies	(239)	-	(239)	(100)
Net Income	\$ 4,999	\$ 3,751	\$ 1,248	33
Pro forma Cash Flow				
Net Income	\$ 4,999	\$ 3,751	\$ 1,248	33
Add Depreciation and Amortization	5,260	4,886	374	8
Pro forma Cash Flow	\$ 10,259	\$ 8,637	\$ 1,622	19

These unaudited financial statements are prepared by the Port of Houston Authority ("Authority") and made available on its website (www.portofhouston.com). Please note that the balance sheet includes all outstanding tax bonds issued by the Authority as liabilities, however, the income statement does not reflect any tax revenues or debt service payments related to the Authority's tax bonds.

Port of Houston Authority
Income Statement
Year to Date Actual vs. Prior Year
(\$ in thousands)

	July		Δ	%		July 2014	2016 vs 2014	%
	Unaudited 2016	Audited 2015						
Operating Revenues								
Container Terminals	\$ 121,774	\$ 119,067	\$ 2,707	2		\$ 96,046	\$ 25,728	27
Turning Basin Terminals	30,150	41,079	(10,929)	(27)		37,805	(7,655)	(20)
Bulk	3,095	3,229	(134)	(4)		3,782	(687)	(18)
Leases	4,081	4,025	56	1		3,975	106	3
Other	8,459	9,027	(568)	(6)		6,679	1,780	27
Total Operating Revenues	167,559	176,427	(8,868)	(5)		148,287	19,272	13
Operating Expenses								
Container Terminals	51,240	46,303	4,937	11		41,155	10,085	25
Turning Basin Terminals	10,346	11,057	(711)	(6)		9,510	836	9
Bulk	184	185	(1)	-		153	31	20
Leases	43	241	(198)	(82)		61	(18)	(30)
Other	9,119	9,630	(511)	(5)		8,090	1,029	13
Pension and Other Retirement Benefits	3,086	3,065	21	1		3,808	(722)	(19)
Depreciation and Amortization	35,101	32,617	2,484	8		31,014	4,087	13
Total Operating Expenses	109,119	103,098	6,021	6		93,791	15,328	16
Operating Income	58,440	73,329	(14,889)	(20)		54,496	3,944	7
General & Administrative Expenses								
G&A Expenses	21,966	21,436	530	2		20,811	1,155	6
Pension and Other Retirement Benefits	2,577	2,415	162	7		2,977	(400)	(13)
Depreciation	1,955	1,656	299	18		1,570	385	25
Total G&A Expenses	26,498	25,507	991	4		25,358	1,140	4
Net Operating Income	31,942	47,822	(15,880)	(33)		29,138	2,804	10
Nonoperating Revenues (Expenses)	9,468	3,516	5,952	100		5,632	3,836	68
Income before Contributions	41,410	51,338	(9,928)	(19)		34,770	6,640	19
Contributions (to)/from Federal/State Agencies	(1,125)	11	(1,136)	(100)		1,212	(2,337)	(100)
Net Income	\$ 40,285	\$ 51,349	\$ (11,064)	(22)		\$ 35,982	\$ 4,303	12
Pro forma Cash Flow								
Net Income	\$ 40,285	\$ 51,349	(11,064)	(22)		\$ 35,982	\$ 4,303	12
Add Depreciation and Amortization	37,056	34,273	2,783	8		32,584	4,472	14
Adjust for non cash items	(5,834)	(1,124)	(4,710)	(100)		(2,534)	(3,300)	100
Pro forma Cash Flow	\$ 71,507	\$ 84,498	\$ (12,991)	(15)		\$ 66,032	\$ 5,475	8

Port of Houston Authority
Balance Sheet
(\$ in thousands)

	Unaudited July 31, 2016	Audited December 31, 2015
Current Assets		
Cash & Cash Equivalents	\$ 38,863	\$ 59,894
Short-Term Investments	286,069	225,710
Trade Accounts & Other Receivables	30,367	30,318
Other	3,825	3,262
Total Current Assets	359,124	319,184
Restricted Assets	70,001	55,207
Property		
Land, Facilities & Equipment	2,198,165	2,186,661
CIP	157,468	85,386
Accumulated Depreciation	(802,382)	(766,411)
Property, Net	1,553,251	1,505,636
Long-Term Investments	83,516	136,580
Other Assets		
Industrial Agreements	2,239	2,442
Other	4,587	4,865
Total Other Assets	6,826	7,307
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	11,642	11,642
Deferred loss on bond refunding	5,835	6,624
Total Deferred Outflows of Resources	17,477	18,266
Total Assets and deferred outflows of resources	\$ 2,090,195	\$ 2,042,180

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited July 31, 2016	Audited December 31, 2015
Current Liabilities		
Accounts Payable	\$ 3,114	\$ 11,633
Other Current Liabilities	25,878	23,627
Total Current Liabilities	28,992	35,260
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	16,275	16,275
Accrued Interest Payable	11,125	8,690
Total Restricted Current Liabilities	27,400	24,965
Long-Term Debt, net of Current Maturities	699,157	701,357
Other Non-Current Liabilities		
Accrued Vacation and Sick Leave	6,446	5,435
OPEB Obligation	21,609	21,776
Net Pension Liability	5,061	5,061
Other	25,874	24,742
Total Other Non-Current Liabilities	58,990	57,014
TOTAL LIABILITIES	814,539	818,596
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	3,973	3,973
Deferred gain on bond refunding	231	261
Total Deferred Inflows of Resources	4,204	4,234
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	843,423	794,075
Restricted for Debt Service	52,043	41,853
Unrestricted Net Assets	375,986	383,422
Total Net Position	1,271,452	1,219,350
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,090,195	\$ 2,042,180